

Alcoholic Beverage Shelf Stocking

http://dor.sd.gov/ 1-800-829-9188 (Option 2)

The purpose of this document is to explain how South Dakota state law applies to Shelf Stocking. It is not intended to answer all questions that may arise. The information contained in this fact sheet is current as of the date of publication.

January 2017

Alcoholic Beverages

Shelf stocking by wholesalers is prohibited for all alcoholic beverages (distilled spirits, wine, malt beverages, etc.) according to ARSD <u>64:75:04:14</u> and <u>64:75:08:10</u>. It may be convenient for wholesalers to fill retailers' shelves while rotating products or during delivery; however, this is a violation of the rules.

- Wholesalers, distributors or solicitors may rotate spirits, wine or malt beverages which they sell as long as they do not alter or reposition products from other industry members.
- The setting or resetting of all or part of an alcoholic beverage retail display is allowed. Written notices to each wholesaler servicing the retailer must be given 48 hours prior to the set or reset.
- For malt beverages only, bringing products currently on the shelf forward (facing) and rotation is allowed at the point of order taking or invoicing.

It is *your responsibility*, both as a wholesaler and a retailer, to know shelf stocking of alcoholic beverages by wholesalers is prohibited and must cease immediately if currently occurring.

Both the wholesaler's and retailer's license may be subject to suspension or revocation if found in violation.

Examples

- 1. Retailer requests that wholesaler comes regularly to stock alcoholic beverages on their shelves.
 - This is specifically prohibited for all alcoholic beverages.
- 2. Wholesaler does pull ups and rotation of malt beverages when taking orders and invoicing retailer.
 - This is permitted for malt beverages only at the point of order taking or invoicing.

Contact Us

If you have any tax questions, please contact the South Dakota Department of Revenue.

Call toll-free: 1-800-829-9188 (Option 2)

Special Tax Division Email: specialt@state.sd.us

Website: http://dor.sd.gov/

Mailing address and office location: South Dakota Department of Revenue

445 East Capitol Ave Pierre, SD 57501